

Congress of the United States

Washington, DC 20515

September 17, 2010

The Honorable Tom Vilsack
Secretary, U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, D.C. 20250

Dear Mr. Secretary:

We are writing to express strong opposition to a component of the United States Department of Agriculture's (USDA) recent decision to issue agriculture disaster assistance through the Department's Section 32 program. Under this plan, funding will be made available to commodity producers in certain parts of the country whose crops were affected by high precipitation and moisture conditions in 2009. Specifically, we are concerned with USDA's decision to exclude peanuts from the list of commodities eligible to receive assistance through the plan's Crop Assistance Program.

The districts we represent are responsible for nearly 80% of United States peanut production which, on average, is valued at well over \$500 million annually. In late 2009, nearly all of the counties in our congressional districts experienced unprecedented rainfall and flooding. This turned what was expected to be a productive year into a season of agricultural disaster. The extraordinarily wet conditions prevented peanut growers in the Southeast from collecting their crops on schedule, resulting in one of the poorest harvest environments in decades for peanut producers in Alabama, Florida, and Georgia.

For Southeastern peanut growers, it is clear that the most devastating effect of last year's flooding was the substantial quality loss incurred by their crops. As rain continued to fall throughout the optimal harvest season, our growers were unable to collect their crops on schedule, leaving their peanuts in the ground for several weeks too long. In almost all cases, this delay in harvest resulted in damaged, low-grade crops which could only be sold for a fraction of the price of normal or high-grade peanuts.

Peanuts were one of several crops to experience tremendous losses due to the heavy rainfall in 2009. In response, legislation was introduced in the House of Representatives by Representative Marion Berry and in the Senate by Senator Blanche Lincoln which would have provided ad hoc disaster assistance to agriculture producers affected by the tremendous rainfall. Both bills included peanut growers and would have allocated over \$1 billion in supplemental direct payments to farmers who suffered crop losses in primary disaster counties. Similar provisions were passed in the House and the Senate, but were ultimately removed from the final version of the Unemployment Compensation Act of 2010 before it was signed into law.

In an effort to deliver this long-overdue assistance to American farmers, Senator Blanche Lincoln worked diligently with the White House to resolve the issue and ultimately reached an agreement to administer disaster relief funding through USDA's Section 32 program. The Office of Management and Budget (OMB) confirmed the agreement in a subsequent letter to Senator Lincoln on August 6, 2010. The letter expressed the Administration's commitment to provide "assistance consistent with [Senator Lincoln's] legislative proposal" in cooperation with USDA.

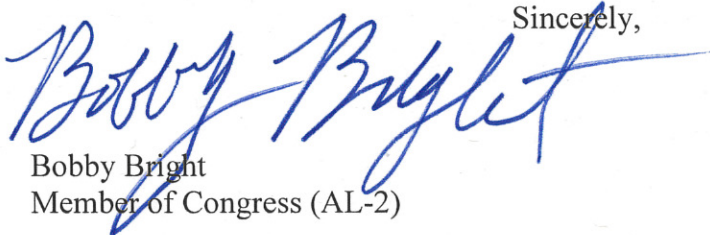
On September 15, 2010, USDA released its plan to provide assistance through the Section 32 program. However, the details of the proposal excluded several key elements contained in the House and Senate legislation. The most glaring omission was the exclusion of peanuts from the list of commodities eligible to receive assistance through the Crop Assistance Program established under the plan.

While we understand the financial constraints inherent in administering this aid, excluding peanuts from eligibility is inconsistent with the Administration's expressed commitment to mirror Senator Lincoln's legislative proposal. It is also arbitrary and unfair to peanut producers in our districts. Furthermore, the fact that the new permanent disaster relief program established in the 2008 Farm Bill has not provided an adequate safety net for peanut farmers in the Southeast makes it incomprehensible that such a vital crop could be left out of USDA's Section 32 assistance plan.

We believe that the Section 32 Crop Assistance Program unfairly determines eligible crops with little or no justification. While our peanut growers continue to suffer, USDA has chosen to ignore their needs. We believe the Department should make decisions based upon what is best for all struggling sectors of American agriculture—not just a few of them. As a result, we request that you include peanuts in the promulgation of the Crop Assistance Program's finalized regulation, and that you do so at a fair, per-acre rate determined in the same manner the other eligible commodity rates were determined. Excluding peanuts from this assistance is unacceptable, and we hope you will honor this request.

We look forward to your response.

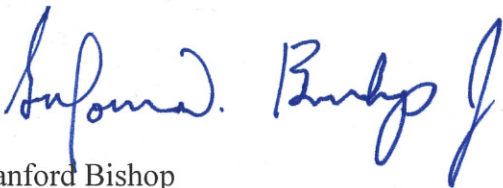
Sincerely,



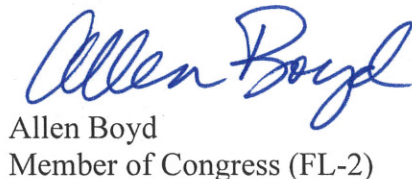
Bobby Bright
Member of Congress (AL-2)



John Barrow
Member of Congress (GA-12)



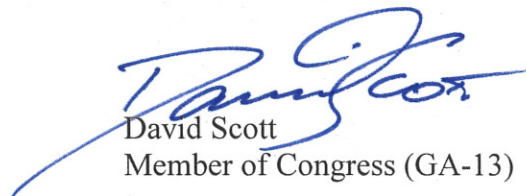
Sanford Bishop
Member of Congress (GA-2)



Allen Boyd
Member of Congress (FL-2)



Jim Marshall
Member of Congress (GA-8)



David Scott
Member of Congress (GA-13)